

NEWS RELEASE



***OFFICE OF THE UNITED STATES ATTORNEY
SOUTHERN DISTRICT OF CALIFORNIA
San Diego, California***

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For Immediate Release

NEWS RELEASE SUMMARY - January 23, 2004

Carol C. Lam, United States Attorney for the Southern District of California, today announced the unsealing in San Diego of an indictment charging two individuals with federal bankruptcy and money laundering offenses. The sixteen-count indictment charges Salvador Esquino Nunez and Monica Sanchez Navarro with conspiracy to commit bankruptcy fraud, concealing assets from the bankruptcy court, the fraudulent transfer or concealment of assets in relation to a bankruptcy case, conspiracy to launder money, money laundering, and false representation of a Social Security Number, all in violation of Title 18, United States Code, Sections 371, 152, 1956(h), 1957(a) and Title 42, United States Code, Section 408(a)(7)(B).

The indictment alleges that Salvador Esquino Nunez, with the assistance of his wife, Monica Sanchez Navarro, fraudulently concealed hundreds of thousands of dollars in assets from the court-appointed Trustee and the United States Bankruptcy Court and then laundered those undeclared proceeds of the bankruptcy fraud. In addition, the indictment alleges that various domestic and foreign bank assets, in amounts exceeding one million dollars, and other property including a yacht valued at \$550,000, were concealed from the United

States Bankruptcy Court. The investigation lasted over 18 months and was directed by special agents assigned to the Internal Revenue Service, Criminal Investigation and the Drug Enforcement Administration. Additional assistance in this case was provided by the United States Trustee Program and its Criminal Enforcement Unit. The U.S. Trustee Program acts to protect the integrity of the bankruptcy system and investigates bankruptcy fraud and abuse. Defendants Nunez and Navarro were arraigned today before the Honorable Louisa S. Porter, United States Magistrate Judge, in San Diego, California. Both Nunez and Navarro entered not guilty pleas to the charges.

The defendants are scheduled to appear next on February 27, 2004 at 2:00 p.m. before the Honorable Dana M. Sabraw, United States District Judge, for motion hearing.

DEFENDANTS

Salvador Esquino Nunez
Monica Sanchez Navarro

SUMMARY OF CHARGES

(Count 1)	Title 18, United States Code, Sections 371 and 152 - Conspiracy to Commit Bankruptcy Fraud Maximum penalty of five years imprisonment and/or a \$250,000 fine
(Counts 2-6)	Title 18, United States Code, Section 152(1) - Concealment of Assets from Bankruptcy Court Trustee Maximum penalty of five years imprisonment and/or a \$250,000 fine
(Counts 7-9)	Title 18, United States Code, Section 152(7) - Fraudulent Transfer or Concealment of Assets in Relation to a Bankruptcy Case Maximum penalty of five years imprisonment and/or a \$250,000 fine
(Count 10)	Title 18, United States Code, Sections 1956(h) and 1957(a) - Conspiracy to Launder Money; and Title 18, United States Code, Section 2 – Aiding and Abetting Maximum penalty of ten years imprisonment and/or a \$250,000 fine
(Counts 11-13)	Title 18, United States Code, Section 1957(a) - Money Laundering; and Title 18, United States Code, Section 2 – Aiding and Abetting Maximum penalty of ten years imprisonment and/or a \$250,000 fine
(Counts 14-16)	Title 42, United States Code, Section 408(a)(7)(B) - False Representation of a Social Security Number Maximum penalty of five years imprisonment and/or a \$250,000 fine

PARTICIPATING AGENCIES

Internal Revenue Service, Criminal Investigation

Drug Enforcement Administration

Federal Aviation Administration

Department of Homeland Security, Immigration and Customs Enforcement

Federal Bureau of Investigation

An indictment itself is not evidence that the defendants committed the crimes charged. The defendants are presumed innocent until the Government meets its burden in court of proving guilt beyond a reasonable doubt.